

**Before the
Federal Communications Commission
Washington, D.C. 20554**

In the Matter of)	
Implementation of the Pay Telephone)	CC Docket No. 96-128
Reclassification and Compensation Provisions)	
of the Telecommunications Act of 1996)	

Petition for Declaratory Ruling or Waiver

TeleDirect Telecommunications Group, LLC (“TeleDirect”), pursuant to Sections 1.2 and 1.3 of the rules of the Federal Communications Commission (“FCC”), hereby submits this Petition for Declaratory Ruling or Waiver (“Petition”). Pursuant to Section 1.2, TeleDirect respectfully requests a ruling from the FCC that it is not subject to the Commission’s rules concerning Payphone Compensation Obligations and Payphone Call Tracking System Audits in 47 C.F.R. Sections 64.1300, 64.1310 and 64.1320.

In the alternative, TeleDirect requests a waiver from having to comply with the Commission’s rules concerning Payphone Compensation Obligations and Payphone Call Tracking System Audits in 47 C.F.R. Sections 64.1300, 64.1310 and 64.1320.

Based on the facts set forth below, TeleDirect does not believe it is subject to the provisions of 64. 1300, 64.1310 and 64.1320. Should the FCC determine that TeleDirect does fall within the category of carriers subject to these rules, good cause exists for granting TeleDirect a waiver of these rules and the grant of such waiver is in the public interest.

Section 1.2 states that the FCC may issue a declaratory ruling terminating a controversy or removing uncertainty. Section 1.3 allows the Commission to waive its rules where “good cause” exists. The Commission has concluded that good cause exists where “special circumstances warrant a deviation from the general rule, such deviation services the public interest, and the waiver would be consistent with the principles underlying the rule.”¹ The FCC should determine either that TeleDirect is not subject to the provisions of the above mentioned rules or, in the alternative that good cause exists for granting TeleDirect a wavier from these rules, for the following reasons:

1. TeleDirect is a switch based international only carrier’s carrier that resells international, direct-dial minutes to its carrier customers.

2. As TeleDirect resells only direct-dialed minutes, none of its telecommunications products result in calls for which compensation is due to pay phone providers.

3. TeleDirect is an end-user subscriber to toll-free service provided by T-Cast Communications, Inc. (“T-Cast”), a switch based reseller. The toll-free service provides TeleDirect with a toll-free customer service number for use by its customers and its employees who need to communicate with the office while away.

4. Until approximately February 15, 2005, calls made using TeleDirect’s toll-free number were diverted by T-Cast from T-Cast’s switch to TeleDirect’s switch for completion to TeleDirect’s customer service department.

¹ *Northeast Cellular Tel. Co., L.P. v. FCC*, 897 F2d 1164, 1166 (D.C. Cir. 1990) (citing *WAIT Radio v. FCC*, 418 F2d 1153, 1159 (D.C. Cir. 1969)).

5. TeleDirect recently became aware that T-Cast was no longer compensating pay phone providers for calls made from pay phones using TeleDirect's toll-free number.

6. TeleDirect, while deriving no economic benefit from completing calls utilizing its toll-free number and believing itself not responsible for compensating pay phone providers under the FCC's rules, voluntarily reviewed T-Cast's call detail records ("CDR") for the 3rd and 4th Quarters of 2004 and for January and early February 2005 to determine if pay phone calls had been made utilizing its toll-free number. T-Cast's CDR designated calls made from pay phones with the initial "P," thus permitting TeleDirect to accurately determine all calls originating from pay phones.

7. In the course of its review, TeleDirect found less than 270 pay phone calls made between June 30, 2004 and December 31, 2004. Pay phone compensation for these calls amounts to approximately \$115.00.

8. TeleDirect is in the process of working with pay phone providers, and has contacted the APCC, to ensure compensation is paid for all pay phone calls made through December 31, 2004, including interest on calls made during the 3rd Quarter of 2004, compensation for which was due on January 1, 2005.

9. TeleDirect recently engaged a new underlying carrier, Teamwork Telecommunications, Inc. ("Teamwork"). Teamwork has agreed to track pay phone calls and compensate pay phone providers for calls made from pay phones utilizing

TeleDirect's toll-free number. Thus, pay phone providers will be compensated in the future.

Based on the foregoing facts, TeleDirect should not be subject to the FCC's rules regarding Payphone Compensation Obligations and Payphone Call Tracking System Audits, or, in the alternative, good cause exists for granting TeleDirect a waiver from compliance with these rules because:

- 1) TeleDirect derives no economic benefit from completing traffic originating from pay telephones utilizing its toll-free customer service telephone number;

- 2) TeleDirect's toll-free number generates a de minimis number of telephone calls originating from payphones;

- 3) TeleDirect has taken steps to ensure that pay phone providers are fairly compensated for calls made in the 3rd and 4th quarters of 2004;

- 4) TeleDirect's newly engaged switch based reseller has agreed to track pay phone calls and ensure that pay phone providers are compensated in the future;

- 5) the cost of developing and maintaining a pay phone call tracking system, undergoing an audit and otherwise being subject to these rules would constitute an unfair economic burden that TeleDirect could not bear; and

- 6) companies such as Atlantax and the National Payphone Clearing House have indicated that it is not cost effective for TeleDirect to set up an account to review CDRs and pay compensation for the de minimis number of pay phone calls generated by TeleDirect in any quarter.

Furthermore, the public interest is served by not placing administrative and economic burdens on small carriers, such as TeleDirect, that cannot absorb the expense, diversion of its personnel from the primary business purpose, and the administrative time necessary to develop and maintain a pay phone tracking system, prepare, arrange for and undergo an audit, and to otherwise be made subject to these rules.

Finally, a judgment declaring TeleDirect not subject to these rules or granting a waiver would be consistent with the principles underlying the rule, which is that pay phone providers be fairly compensated. TeleDirect has voluntarily undertaken to make compensation payments to pay phone providers and has made arrangements with its underlying carrier so that compensation will be made in the future.

TeleDirect's regulatory consultants have contacted Denise Coca regarding this Petition and have forwarded a copy to Denise Coca via electronic mail per her request.

Respectfully submitted,

Gordon Liang

Gordon Liang
General Manager
TeleDirect Telecommunications Group, LLC

I declare under penalty of perjury that the foregoing is true and correct.

Executed on March 15, 2005

Gordon Liang

Gordon Liang, General Manager